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## BEFORE THE ARIZONA CORPORATION COMMISSION

## COMMISSIONERS

Arizona Corporation Commission

DOCKETED

MAR 21 2013

BOB STUMP - Chairman  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH

DOCKETED BY

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IN THE MATTER OF THE APPLICATION OF  
ARIZONA WATER COMPANY TO EXTEND  
ITS CERTIFICATE OF CONVENIENCE AND  
NECESSITY AT CASA GRANDE, PINAL  
COUNTY, ARIZONA.

DOCKET NO. W-01445A-07-0291

DECISION NO. 73777

**ORDER EXTENDING TIME**  
**DEADLINE CONTAINED IN**  
**DECISION NO. 70379**

Open Meeting  
March 12 and 13, 2013  
Phoenix, Arizona

**BY THE COMMISSION:**

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

**FINDINGS OF FACT**

1. On June 13, 2008, the Commission issued Decision No. 70379, granting Arizona Water Company ("AWC" or "Company"), an extension of its Certificate of Convenience and Necessity for four of five requested parcels ("Parcels").

2. The Decision required AWC to file with Docket Control as compliance items copies of the Arizona Department of Environmental Quality ("ADEQ") Certificates of Approval to Construct ("ATCs") the facilities needed to serve Phase I within Parcels One, Two, Four and Five within two years of the effective date of the Decision. The Decision also ordered AWC to file as a compliance items copies of the Arizona Department of Water Resources ("ADWR") developer's Certificates of Assured Water Supply ("CAWS") for Parcels One, Two, Four and Five within two years of the effective date of the Decision. Based on this, the filing deadline for all ATCs and CAWS would have been June 13, 2010.

3. On May 3, 2010, the Commission issued Decision No. 71687 granting AWC's

1 application for an extension of time to file the ATCs and the CAWS for Phase I of each of the four  
2 parcels until June 13, 2012.

3 4. On May 14, 2012, AWC filed a Request for Additional Time for Compliance Filing  
4 ("Request"), noting that the economic conditions necessitating its first extension application had not  
5 changed and are still negatively impacting the real estate market, resulting in further development  
6 delays for the Parcels.

7 5. AWC attached to its Request a copy of ADWR's Physical Availability Determination  
8 ("PAD") for the Company's system, which includes the entire extension area. AWC noted the PAD  
9 is a precursor to obtaining the CAWS, and asserted the PAD is sufficient to meet the CAWS  
10 requirement in Decision No. 70379. The Company also attached a copy of a letter from the owners  
11 of one of the Parcels stating they still wished to receive water service from AWC. AWC stated that  
12 given the circumstances, there are sufficient grounds for the Commission to approve the Company's  
13 Request to extend the filing deadline for the ATCs to June 13, 2014.

14 6. On August 17, 2012, AWC filed an Addendum to the Request ("Addendum"). The  
15 Company provided updated service request letters from the owners of the other three Parcels. Each  
16 stated they still intend to develop their respective parcels as soon as the economic conditions are  
17 more favorable and affirmed they wish to receive water service from AWC. AWC also attached to  
18 the Addendum ADEQ's ATCs for developments in Parcels One, Four and Five, stating: "The  
19 Company has filed applications for approvals to construct for the additional parcels with ADEQ. The  
20 Company will docket such approvals as soon as they are received."<sup>1</sup> AWC reiterated its request to  
21 extend the filing deadlines for the remaining compliance items to June 13, 2014.

22 7. On January 11, 2013, the Commission's Utilities Division Staff ("Staff") filed its  
23 Memorandum on the Request. Staff stated that, although Staff agrees the PAD is a precursor to a  
24 CAWS, it is not the equivalent of a CAWS; therefore the Company has not yet satisfied the CAWS  
25 compliance filing requirement. Staff recommended that the Commission extend the due date for  
26 filing the required CAWS to June 13, 2014.

27  
28 <sup>1</sup> Addendum, page 2; Attachments 7, 8 and 9.

8. Given the Company's ongoing efforts to obtain to required approvals, as well as the property owners' continued interest in receiving service from AWC, Staff's recommendation regarding the CAWS is reasonable and shall be adopted.

9. According to information provided by AWC in the Addendum, it has received ATCs for Parcels One, Four and Five, but it does not appear that AWC has received ADEQ's ATC for Parcel Two. AWC stated it will docket copies of other ADEQ approvals when the Company receives them.

10. Given AWC's progress in obtaining the necessary ATCs, we believe it is reasonable to also extend the deadline to file any outstanding required ATCs to June 13, 2014.

## CONCLUSIONS OF LAW

1. AWC is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§40-281 and 40-282.

2. The Commission has jurisdiction over AWC and the subject matter of the Request for Additional Time for Filing Compliance Filing under Decision No. 70379.

3. AWC's request for an extension of time to comply with Decision No. 70379 until June 13, 2014, is reasonable and should be granted.

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**ORDER**

IT IS THEREFORE ORDERED that Arizona Water Company's Request for Additional Time for Compliance Filing is granted, extending the compliance deadlines in Decision No. 70379 for filing any outstanding Certificates of Approval to Construct and the Certificates of Assured Water Supply for Phase I of Parcels One, Two, Four and Five until June 13, 2014.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

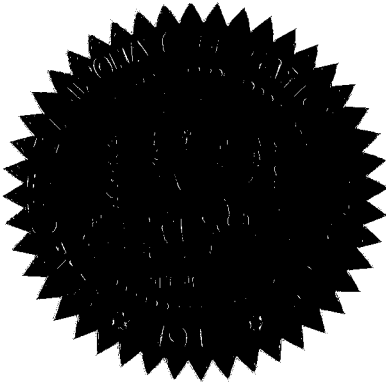
CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER



IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 21st day of March 2013.

JODI JERICH  
EXECUTIVE DIRECTOR

DISSENT \_\_\_\_\_

DISSENT \_\_\_\_\_

1 SERVICE LIST FOR: ARIZONA WATER COMPANY

2 DOCKET NO.: W-01445A-07-0291

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